

AMENDED IN SENATE MAY 4, 2011  
AMENDED IN SENATE MARCH 22, 2011

**SENATE BILL**

**No. 803**

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**Introduced by Senator DeSaulnier**

February 18, 2011

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An act to add and repeal Article 4.5 (commencing with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, and to add Chapter 4 (commencing with Section 2200) to Division 2.5 of the Welfare and Institutions Code, relating to youth services.

LEGISLATIVE COUNSEL'S DIGEST

SB 803, as amended, DeSaulnier. California Youth Leadership Project.

Existing law establishes various programs to advocate for the needs of seniors and other groups, including the Senior Legislature.

This bill would establish the California Youth Leadership Project under the ~~Joint Committee on Rules~~ *State Department of Education* for the purpose of supporting and promoting youth civic engagement by awarding scholarships to youth and civic engagement programs. The bill would create the California Youth Leadership Project Committee, which would be chaired by the ~~chair of the Joint Committee on Rules~~ *Superintendent of Public Instruction* and be composed of specified appointed members. The bill would authorize the advisory committee to enter into an interagency agreement with the ~~Joint Committee on Rules~~ *State Department of Education* to carry out necessary administrative functions. The advisory committee also would be charged with determining when there are sufficient funds to support the program

and if it determines that there are insufficient funds to cover all costs, the activities of the California Youth Leadership Project would cease.

The Personal Income Tax Law authorizes taxpayers to contribute amounts in excess of their tax liability for the support of specified funds.

The bill would create in the State Treasury the California Youth Leadership Fund to receive contributions from tax return designations to support the California Youth Leadership Project. This bill would allocate all moneys transferred to the California Youth Leadership Fund, as prescribed, upon appropriation by the Legislature, to the Franchise Tax Board and the Controller for the reimbursement of costs incurred, and to the ~~Joint Committee on Rules~~ *State Department of Education* to provide for the California Youth Leadership Project. This bill would provide for the repeal of this contribution provision for this fund on January 1 of the 5th taxable year following the first appearance of the California Youth Leadership Fund on the tax return or on January 1 of an earlier calendar year, if the Franchise Tax Board estimates that the annual contribution amount will be less than \$250,000, or an adjusted amount, as specified, for subsequent taxable years. The bill also would authorize the California Youth Leadership Committee to accept gifts and grants from any source to help perform its functions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Article 4.5 (commencing with Section 18736) is  
2 added to Chapter 3 of Part 10.2 of Division 2 of the Revenue and  
3 Taxation Code, to read:

4

5 Article 4.5. California Youth Leadership Fund

6

7 18736. (a) An individual may designate on the tax return that  
8 a contribution in excess of the tax liability, if any, be made to the  
9 California Youth Leadership Fund, established by Section 18737.

10 (b) The contributions shall be in full dollar amounts and may  
11 be made individually by each signatory on a joint return.

12 (c) A designation under subdivision (a) shall be made for any  
13 taxable year on the original return for that taxable year, and once  
14 made shall be irrevocable. In the event that payments and credits  
15 reported on the return, together with any other credits associated

1 with the individual's account, do not exceed the individual's tax  
2 liability, the return shall be treated as though no designation has  
3 been made.

4 (d) If an individual designates a contribution to more than one  
5 account or fund listed on the tax return, and the amount available  
6 is insufficient to satisfy the total amount designated, the  
7 contribution shall be allocated among the designees on a pro rata  
8 basis.

9 (e) The Franchise Tax Board shall revise the form of the return  
10 to include a space labeled "California Youth Leadership Fund" to  
11 allow for the designation permitted under subdivision (a). The  
12 form shall also include in the instructions information that the  
13 contribution may be in the amount of one dollar (\$1) or more and  
14 that the contribution shall be used to support the California Youth  
15 Leadership Project.

16 (f) Notwithstanding any other provision, a voluntary contribution  
17 designation for the California Youth Leadership Fund shall ~~not~~ be  
18 added on the tax return ~~until~~ *when* another voluntary contribution  
19 designation is removed *or as soon as space is available on the tax*  
20 *return.*

21 (g) A deduction shall be allowed under Article 6 (commencing  
22 with Section 17201) of Chapter 3 of Part 10 for any contribution  
23 made pursuant to subdivision (a).

24 18737. There is hereby established in the State Treasury the  
25 California Youth Leadership Fund to receive contributions made  
26 pursuant to Section 18736. The Franchise Tax Board shall notify  
27 the Controller of both the amount of money paid by taxpayers in  
28 excess of their tax liability and the amount of refund money that  
29 taxpayers have designated pursuant to Section 18736 to be  
30 transferred to the California Youth Leadership Fund. The  
31 Controller shall transfer from the Personal Income Tax Fund to  
32 the California Youth Leadership Fund an amount not in excess of  
33 the sum of the amounts designated by individuals pursuant to  
34 Section 18736 for payment into that fund.

35 18738. All moneys transferred to the California Youth  
36 Leadership Fund pursuant to Section 18736, upon appropriation  
37 by the Legislature, shall be allocated as follows:

38 (a) To the Franchise Tax Board and the Controller for  
39 reimbursement of all costs incurred by the Franchise Tax Board  
40 and the Controller in connection with their duties under this article.

1 (b) To the ~~Joint Committee on Rules~~ *State Department of*  
2 *Education* to provide for the California Youth Leadership Project,  
3 pursuant to Chapter 4 (commencing with Section 2200) of Division  
4 2.5 of the Welfare and Institutions Code.

5 (c) All moneys allocated pursuant to subdivision (b) of this  
6 section may be carried over from the year in which they were  
7 received.

8 18739. (a) Except as otherwise provided in subdivision (b),  
9 this article shall remain in effect only until January 1 of the fifth  
10 taxable year following the first appearance of the California Youth  
11 Leadership Fund on the tax return, and as of that date is repealed.

12 (b) (1) By September 1 of the second calendar year, and by  
13 September 1 of each subsequent calendar year that the California  
14 Youth Leadership Fund appears on a tax return, the Franchise Tax  
15 Board shall do all of the following:

16 (A) Determine the minimum contribution amount required to  
17 be received during the next calendar year for the fund to appear  
18 on the tax return for the taxable year that includes that next calendar  
19 year.

20 (B) Provide written notification to the ~~Joint Committee on Rules~~  
21 *State Department of Education* of the amount determined in  
22 subparagraph (A).

23 (C) Determine whether the amount of contributions estimated  
24 to be received during the calendar year will equal or exceed the  
25 minimum contribution amount determined by the Franchise Tax  
26 Board for the calendar year pursuant to subparagraph (A). The  
27 Franchise Tax Board shall estimate the amount of contributions  
28 to be received by using the actual amounts received and an estimate  
29 of the contributions that will be received by the end of that calendar  
30 year.

31 (2) If the Franchise Tax Board determines that the amount of  
32 contributions estimated to be received during a calendar year will  
33 not equal or exceed the minimum contribution amount for the  
34 calendar year, this article is repealed with respect to taxable years  
35 beginning on or after January 1 of that calendar year.

36 (3) For purposes of this section, “minimum contribution amount  
37 for the calendar year” means two hundred fifty thousand dollars  
38 (\$250,000) for the second calendar year after the first appearance  
39 of the California Youth Leadership Fund on the personal income

1 tax return or the adjusted minimum contribution amount adjusted  
2 pursuant to subdivision (c).

3 (c) For each calendar year, beginning with the third calendar  
4 year that the California Youth Leadership Fund appears on the tax  
5 return, the Franchise Tax Board shall adjust, on or before  
6 September 1 of that calendar year, the minimum estimated  
7 contribution amount specified in subdivision (b) as follows:

8 (1) The minimum estimated contribution amount for the calendar  
9 year shall be an amount equal to the product of the minimum  
10 contribution amount for the prior September 1 multiplied by the  
11 inflation factor adjustment as specified in paragraph (2) of  
12 subdivision (h) of Section 17041, rounded off to the nearest dollar.

13 (2) The inflation factor adjustment used for the calendar year  
14 shall be based on the figures for the percentage change in the  
15 California Consumer Price Index received on or before August 1  
16 of the calendar year pursuant to paragraph (1) of subdivision (h)  
17 of Section 17041.

18 (d) Notwithstanding the repeal of this article, any contribution  
19 amounts designated pursuant to this article prior to its repeal shall  
20 continue to be transferred and disbursed in accordance with this  
21 article as in effect immediately prior to that repeal.

22 SEC. 2. Chapter 4 (commencing with Section 2200) is added  
23 to Division 2.5 of the Welfare and Institutions Code, to read:

24  
25 CHAPTER 4. CALIFORNIA YOUTH LEADERSHIP PROJECT  
26

27 2200. (a) The Legislature finds and declares that the needs of  
28 California's youth can best be assessed by California's youth.

29 (b) The Legislature recognizes that there are more than  
30 9,000,000 youth under 19 years of age in California, and an  
31 additional 3,000,000 more young adults between 18 and 24 years  
32 of age.

33 (c) The Legislature recognizes that all young people need five  
34 key developmental resources in order to become productive  
35 citizens: caring adults, safe places, a healthy start, an effective  
36 education, and opportunities to help others. The Legislature further  
37 recognizes that young people who receive more of these  
38 developmental resources fare better than young people who receive  
39 fewer, and that those young people are more likely to avoid  
40 violence, contribute to their communities, and achieve high grades

1 in school. The Legislature further recognizes the significant number  
2 of California's youth who live disadvantaged lives. Of those youth,  
3 an estimated 200,000 minors and thousands more youth between  
4 18 and 24 years of age experience homelessness each year. Another  
5 60,000 youth are in the foster care system, over 1,250 youth in  
6 California currently occupy juvenile justice facilities, and more  
7 than 2,500 youth are on parole from those facilities. Youth who  
8 are homeless, in the juvenile justice system, or in foster care have  
9 limited opportunities to participate in the policy process that  
10 ultimately impacts their well-being.

11 (d) The Legislature recognizes that there are limited civic  
12 engagement opportunities for these disconnected and disadvantaged  
13 youth, especially opportunities developed and designed for and  
14 with them in mind.

15 (e) The Legislature is alarmed that hundreds of thousands of  
16 California youth are among the two-thirds of America's children  
17 and youth recently identified by the America's Promise Alliance  
18 as not receiving sufficient developmental resources to safely put  
19 them on the path to adulthood. The Legislature also is concerned  
20 that the high school completion rate is less than 60 percent for  
21 low-income students and students of color in California, that gang  
22 and youth violence continue to be a concern and although birth  
23 rates to teen mothers have decreased, "teen pregnancy and  
24 parenting" continues to be a significant social problem in  
25 California. The Legislature is encouraged, however, by research  
26 indicating that providing more of the five developmental resources  
27 for more young people can help prevent many of these problems,  
28 and that millions of dollars in later prison, health, and welfare costs  
29 can be avoided by providing more developmental resources for  
30 more young people now.

31 (f) The Legislature also agrees with the America's Promise  
32 Alliance's call for greater collaboration and integration in working  
33 to turn failure into action and improve the lives of young people  
34 at risk and with the actions of the more than 20 states that have  
35 committed their state resources for the creation of statewide entities  
36 charged with improving the developmental well-being of their  
37 children and youth.

38 2201. (a) The California Youth Leadership Project is hereby  
39 established under the ~~Joint Committee on Rules~~ *State Department*  
40 *of Education* for the purpose of promoting youth civic engagement

1 through meaningful opportunities to improve the quality of life  
2 for California's disconnected and disadvantaged youth.

3 (b) The California Youth Leadership Project shall support and  
4 promote youth civic engagement by awarding scholarships to  
5 youth. Furthermore, youths awarded scholarships by the California  
6 Youth Leadership Project shall be given the opportunity to make  
7 meaningful recommendations regarding legislation and policies  
8 that impact their own lives and the lives of the thousands of other  
9 youth in California whose voices often go unheard.

10 (c) The California Youth Leadership Project shall award youth  
11 scholarships to civic engagement programs that do all of the  
12 following:

13 (1) Provide youth participants tools to examine and discuss  
14 policy and fiscal issues affecting the interests, needs, and conditions  
15 of the youth of California.

16 (2) Provide youth participants the opportunity to formally advise  
17 and make recommendations to the Legislature and the Governor  
18 on specific issues affecting youth, including, but not limited to,  
19 all of the following:

20 (A) Education.

21 (B) Employment.

22 (C) Access to state and local governmental services.

23 (D) The environment.

24 (E) Behavioral and physical health.

25 (F) Safety.

26 (G) Technology.

27 (H) Criminal justice.

28 (I) Homelessness.

29 (J) Foster care.

30 (K) Child welfare.

31 (L) Emancipation.

32 (M) Financial literacy.

33 (N) Substance abuse.

34 (O) Driver's license requirements.

35 (P) Poverty.

36 (Q) Increased youth participation in state and local government.

37 (R) Any other policy or fiscal issues deemed appropriate by the  
38 California Youth Leadership Project Committee.

39 (3) Provide youth participants the opportunity to consult with  
40 any existing local level youth advisory commissions and

1 community-based, grassroots youth-led organizations for input  
2 and potential solutions on issues related to youth.

3 (4) Provide youth participants the opportunity to convene and  
4 conduct meetings to fulfill the purposes of this chapter.

5 (5) Provide youth participants the opportunity to act as an  
6 information center on California youth policy and fiscal issues,  
7 including, but not limited to, the issues listed in paragraph (2).

8 (6) When available, enable individual youth to travel to the State  
9 Capitol to learn the legislative process and, on occasion, to testify  
10 at legislative hearings.

11 2202. (a) The California Youth Leadership Project shall be  
12 overseen by the California Youth Leadership Project Committee.

13 (b) The California Youth Leadership Project Committee shall  
14 be established and oversee the California Youth Leadership Project  
15 and distribute funds pursuant to Article 4.5 (commencing with  
16 Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the  
17 Revenue and Taxation Code and this chapter.

18 (c) Members of the California Youth Leadership Project  
19 Committee, in making youth scholarship awards, shall take into  
20 consideration that awarded youth represent the racial, ethnic,  
21 socioeconomic, cultural, physical, and educational diversity of  
22 California. Particular emphasis should be placed on reaching out  
23 to at-risk or disadvantaged youth, as their participation in the  
24 California Youth Leadership Project will provide keen insight into  
25 many of the issues that youth face in their day-to-day lives.

26 (d) (1) The California Youth Leadership Project Committee  
27 shall be chaired by the ~~chair of the Joint Committee on Rules~~  
28 *Superintendent of Public Instruction*, or his or her designee, and  
29 shall include no more than six members.

30 (2) ~~The Joint Committee on Rules~~ *Superintendent of Public*  
31 *Instruction* shall appoint the following four members to the  
32 California Youth Leadership Project Committee:

33 (A) A representative from a statewide nonprofit youth  
34 organization.

35 (B) A representative from a community-based nonprofit  
36 organization that serves youth or youth-related issues.

37 (C) A representative of a local educational agency or school  
38 district.

39 (D) A youth under 18 years of age who has participated in a  
40 youth leadership program involving lobbying the Legislature on



1 issue areas affecting youth. This person shall serve only in an  
2 advisory capacity.

3 (3) The California Health and Human Services Agency may  
4 also, but is not required to, appoint a member to the California  
5 Youth Leadership Project Committee.

6 (4) Members of the California Youth Leadership Project  
7 Committee, appointed under subparagraphs (A) to (C), inclusive,  
8 of paragraph (2) shall have experience and be trained to work with  
9 youth between 14 and 18 years of age on the issues described in  
10 subdivision (c) of Section 2201, and shall have special experience  
11 in civic engagement, advocacy, and at least one of the following  
12 issue areas affecting youth:

13 (A) Crisis prevention or intervention.

14 (B) Drug, alcohol, and tobacco abuse prevention or intervention.

15 (C) Foster care.

16 (D) Juvenile justice.

17 (E) Homelessness.

18 (F) Lesbian, gay, bisexual, and transgender rights and social  
19 justice.

20 (G) Mental health.

21 (e) The members of the California Youth Leadership Project  
22 Committee shall serve on a voluntary basis and shall not receive  
23 a salary.

24 2203. Duties of the California Youth Leadership Project  
25 Committee shall include, but not be limited to, all of the following:

26 (a) Develop and provide applications for the Youth Leadership  
27 Project scholarship and collect applications from youths who would  
28 like to apply.

29 (b) Determine ways to promote the program and make  
30 applications available.

31 (c) Establish criteria for the selection of youths, and make  
32 awards based on those criteria and the purposes of this chapter.

33 (d) Ensure that there is no discrimination based on race, religious  
34 creed, color, national origin, age, gender, marital status, sex, or  
35 sexual orientation.

36 (e) Establish the time, location, and number of annual meetings  
37 of the committee. The committee shall meet no less than once each  
38 year.

39 (f) If necessary, enter into a mutually agreed upon interagency  
40 agreement with the ~~Joint Committee on Rules~~ *State Department*

1 *of Education* to carry out administrative duties related to the  
2 project.

3 (g) Submit an annual budget and report to the ~~Joint Committee~~  
4 ~~on Rules~~ *State Department of Education*.

5 (h) (1) Determine when there are sufficient funds to support  
6 the project. If the committee determines that there are insufficient  
7 funds to cover all costs, the activities of the California Youth  
8 Leadership Project shall cease.

9 (2) State funds shall not be used to support the California Youth  
10 Leadership Project except as provided in Article 4.5 (commencing  
11 with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the  
12 Revenue and Taxation Code.

13 2204. (a) The funds for the California Youth Leadership  
14 Project shall be allocated from the California Youth Leadership  
15 Fund pursuant to Article 4.5 (commencing with Section 18736)  
16 of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation  
17 Code, or from private funds directed to the ~~Joint Committee on~~  
18 ~~Rules~~ *State Department of Education* and allocated to the  
19 California Youth Leadership Project Committee for the purpose  
20 of funding activities of the California Youth Leadership Project.

21 (b) The California Youth Leadership Project may accept gifts  
22 and grants from any source, public or private, to help perform its  
23 functions, pursuant to this chapter.

24 (c) No more than 10 percent of the funds allocated to the  
25 California Youth Leadership Project Committee for the purpose  
26 of funding activities of the California Youth Leadership Project  
27 may be used for administrative costs.

28 (d) Except as otherwise provided in subdivision (c), the  
29 California Youth Leadership Project Committee shall have the  
30 authority to define its program and utilize its funds in any way  
31 necessary to carry out the duties of this chapter, including, but not  
32 limited to, partnering with nonprofit groups or state agencies to  
33 perform various duties required by this chapter, as long as the  
34 program or activity is not in violation of a state law or regulation.